



United States Department of Agriculture
Food and Nutrition Service

Southeast Region

Reply to

Attn. of: SERO Policy

July 15, 2004

Subject: Policy Memorandum Numbers 245.03-19 (NSLP); 225.06-41 (SFSP); 226.23-21 (CACFP):
Exclusion of the Housing Allowance for Military Households in Privatized Housing –
Reauthorization 2004

To: All State Directors

Child and Adult Care Food Programs (CACFP)

National School Lunch Programs (NSLP)

Summer Food Service Programs (SFSP)

Southeast Region

This policy memorandum rescinds previous policy memos 245.03-13, 225.06-31 and 226.23-19. All relevant changes to the previous policy memoranda will be in bold. In accordance with the Child Nutrition and WIC Reauthorization Act of 2004, the housing allowance for military personnel living in privatized housing will be **permanently** excluded from income when determining household eligibility for free and reduced price meals or free milk in all of the child nutrition programs. The provision is effective July 1, 2004.

“Privatized housing” refers to the Military Housing Privatizing Initiative, a program operating at a number of military installations. This initiative puts the operation of military owned housing under private contractors. Under this privatization initiative, a housing allowance appears on the leave and earnings statement of service members living in privatized housing. It is important to note that this income exclusion is only for service members living in housing covered under the Military Housing Privatization Initiative. It is not an allowable exclusion for households living off-base in the general commercial/private real estate market.

Additional information about DOD’s Military Housing Privatization Initiative, including a list of affected installations, may be accessed at: <http://www.acq.osd.mil/housing>. Should you or your staff have any questions regarding this matter, please contact this office.

LANNA R. KIRK

Acting Regional Director

Special Nutrition Programs